

Senate File 16 - Introduced

SENATE FILE 16

BY SODDERS

A BILL FOR

1 An Act providing a property assessment adjustment for certain
2 persons who have attained the age of seventy, providing a
3 penalty, and including retroactive and other applicability
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 425B.1 Homestead assessed value
2 adjustment — purpose.

3 Persons who own their homesteads and who meet the
4 qualifications provided in this chapter are eligible for an
5 adjustment in the assessed value of their homesteads, as
6 provided in this chapter, to prevent an increase in such
7 values.

8 Sec. 2. NEW SECTION. 425B.2 Definitions.

9 As used in this chapter, unless the context otherwise
10 requires:

11 1. "*Assessed value*" means the actual value prior to any
12 adjustment pursuant to section 441.21, subsection 4.

13 2. "*Base assessment year*" means the assessment year
14 beginning in the base year.

15 3. "*Base year*" means the calendar year last ending before
16 the claim is filed.

17 4. "*Claimant*" means a person filing a claim for adjustment
18 under this chapter who has attained the age of seventy years
19 on or before December 31 of the base year and is domiciled in
20 this state at the time the claim is filed or at the time of the
21 person's death in the case of a claim filed by the executor or
22 administrator of the claimant's estate.

23 5. "*Homestead*" means the dwelling owned and actually used
24 as a home by the claimant for at least six months during the
25 base year and so much of the land surrounding it, including one
26 or more contiguous lots or tracts of land, as is reasonably
27 necessary for use of the dwelling as a home, and may consist
28 of a part of a multidwelling or multipurpose building and a
29 part of the land upon which it is built. It does not include
30 personal property except that a manufactured or mobile home
31 may be a homestead. Any dwelling or a part of a multidwelling
32 or multipurpose building which is exempt from taxation does
33 not qualify as a homestead under this chapter. A homestead
34 must be located in this state. When a person is confined in a
35 nursing home, extended-care facility, or hospital, the person

1 shall be considered as occupying or living in the person's
2 homestead if the person is the owner of the homestead and the
3 person maintains the homestead and does not lease, rent, or
4 otherwise receive profits from other persons for the use of the
5 homestead.

6 6. "Owned" means owned by an owner as defined in section
7 425.11.

8 Sec. 3. NEW SECTION. 425B.3 Right to file a claim.

9 The right to file a claim for an assessed value adjustment
10 under this chapter may be exercised by the claimant or on
11 behalf of a claimant by the claimant's legal guardian, spouse,
12 or attorney, or by the executor or administrator of the
13 claimant's estate. If a claimant dies after having filed a
14 claim for adjustment, the amount of any adjustment shall be
15 made as if the claimant had not died.

16 Sec. 4. NEW SECTION. 425B.4 Claim for adjustment.

17 1. Subject to the limitations provided in this chapter,
18 a claimant may annually claim an adjustment of the assessed
19 value of the claimant's homestead for the base assessment year.
20 The adjustment claim shall be filed with the county assessor
21 between January 1 and February 15 immediately following
22 the close of the base assessment year. However, in case of
23 sickness, absence, or other disability of the claimant, or
24 if in the judgment of the county assessor good cause exists,
25 the county assessor may extend the time for filing a claim for
26 adjustment through June 30 of the same calendar year.

27 2. The county assessor shall notify the department of
28 revenue by March 1 of the number of claimants receiving
29 adjustments under this chapter and the total amount of the
30 reduced assessed values for the base assessment year.

31 Sec. 5. NEW SECTION. 425B.5 Adjustment — maximum tax
32 dollars levied.

33 The assessed value of the claimant's homestead in the
34 base assessment year shall be adjusted, but not increased,
35 to equal the assessed value, as such assessed value may have

1 been adjusted pursuant to this chapter, in the assessment year
2 preceding the base assessment year. If the amount of property
3 taxes levied against the adjusted assessment exceed the amount
4 of property taxes levied against the property in the fiscal
5 year for which taxes were first levied against an adjusted
6 assessment under this chapter, the treasurer shall subtract the
7 difference from the amount due.

8 Sec. 6. NEW SECTION. **425B.6 Administration.**

9 The director of revenue shall make available suitable forms
10 for claiming an assessed value adjustment with instructions
11 for claimants. Each assessor and county treasurer shall make
12 available the forms and instructions. The claim shall be in a
13 form as the director may prescribe.

14 Sec. 7. NEW SECTION. **425B.7 Proof of claim.**

15 1. Every claimant shall give the department of revenue, in
16 support of the claim, reasonable proof of:

- 17 *a.* Age.
- 18 *b.* Changes of homestead.
- 19 *c.* Size and nature of the property claimed as the homestead.

20 2. The director of revenue may require any additional proof
21 necessary to support a claim.

22 Sec. 8. NEW SECTION. **425B.8 Audit — denial.**

23 If on the audit of a claim for adjustment under this chapter,
24 the director of revenue determines the claim is not allowable,
25 the director shall notify the claimant of the denial and the
26 reasons for it. The director shall not deny a claim after
27 three years from October 31 of the year in which the claim was
28 filed. The director shall give notification to the county
29 assessor of the denial of the claim and the county assessor
30 shall instruct the county treasurer to proceed to collect the
31 tax that would have been levied on the applicable adjusted
32 assessed value in the same manner as other property taxes
33 due and payable are collected, if the property on which the
34 adjustment was granted is still owned by the claimant.

35 Sec. 9. NEW SECTION. **425B.9 Waiver of confidentiality.**

1 1. A claimant shall expressly waive any right to
2 confidentiality relating to all information available to the
3 county assessor who shall hold the information confidential
4 except that it may be used as evidence to disallow the assessed
5 value adjustment.

6 2. The department of revenue may release information
7 pertaining to a person's eligibility or claim for or receipt of
8 the assessed value adjustment to an employee of the department
9 of inspections and appeals in the employee's official conduct
10 of an audit or investigation.

11 **Sec. 10. NEW SECTION. 425B.10 False claim — penalty.**

12 A person who makes a false affidavit for the purpose of
13 obtaining an adjustment in assessed value provided for in
14 this chapter or who knowingly receives the adjustment without
15 being legally entitled to it or makes claim for the adjustment
16 in more than one county in the state without being legally
17 entitled to it is guilty of a fraudulent practice. The claim
18 for adjustment shall be disallowed in full and property tax
19 shall be levied on the disallowed adjustment at the rate that
20 would have been levied but for the adjustment. The director of
21 revenue shall send a notice of disallowance of the claim.

22 **Sec. 11. NEW SECTION. 425B.11 Statutes applicable.**

23 To the extent not otherwise contrary, the provisions of
24 sections 425.30, 425.31, 425.32, and 425.37 apply to this
25 chapter.

26 **Sec. 12. APPLICABILITY.** This Act applies retroactively to
27 January 1, 2011, for assessment years beginning on or after
28 that date and to the filing of claims on or after January 1,
29 2012, for adjustments of assessed values.

30 **EXPLANATION**

31 This bill provides for an adjustment in the assessed value of
32 a homestead, as defined in the bill, if the owner is a person
33 who is 70 or older. The assessed value of the homestead upon
34 which property taxes are levied in a fiscal year is the same
35 assessed value as for the previous fiscal year. Assessed value

1 is that value prior to any rollback being applied.

2 The bill provides that a person who makes a false affidavit
3 for the purpose of obtaining an adjustment, knowingly receives
4 the adjustment without being legally entitled to it, or makes
5 claim for the adjustment in more than one county without being
6 legally entitled to it is guilty of a fraudulent practice and
7 is subject to a criminal penalty.

8 The bill applies retroactively to January 1, 2011, for
9 assessment years beginning on or after that date and applies to
10 claims filed on or after January 1, 2012, for the adjustments.